

BALRAMPUR CHINI MILLS LIMITED



5 January 2009



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INDIAN SUGAR INDUSTRY OVERVIEW



Indian Sugar Industry: Size & Overview

- India is the second largest sugar producing country in the world next to Brazil.
- Size : Rs. 360 Bn annually [US\$ 8 Billion]
- Contributes Rs.30 Bn Crores to exchequer [US\$ 600 Million]
- Comprises 7.5 per cent of India's rural population
- Number of farmers 50 Million
- Rs.230 Bn payment to cane farmers every year [US\$ 5 Billion approx.]
- Comprehensive policy to encourage cogeneration of power
- India's increasing power, alcohol and ethanol demand make co-products extremely attractive, improves overall realization



Indian Sugar Industry – An overview

- Over 550 sugar factories in India widely dispersed over UP, Maharashtra and other States
- Ownership of sugar sector – 50% private sector and 50% in co-operative & Govt Sector
- Average crushing capacity about 3500 TCD
- Uttar Pradesh [North] and Maharashtra [West] produce 60% of sugar in India
- Cultivation of cane largely monsoon depended
- Sugar industry is seasonal where crushing season begins in October and ends in April/May
- Can play a major role in development of rural India
- About 2% of cultivable land is under sugar cane



Production, Consumption & Closing Stock

	[In Million tonnes]						
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 [E]
Opening Stock as on 1st Oct.	11.32	11.66	8.54	*4.00	*3.90	8.47	7.80
Production during Season	20.14	13.99	12.69	19.27	28.30	26.33	18.50
Imports [Raw Sugar]	0.04	0.40	2.14	-	-	-	-
Total Availability	31.50	26.05	23.37	23.27	32.20	34.80	26.30
Off-take							
a) Internal Consumption	18.34	17.29	18.50	18.50	22.00	22.50	23.00
b) Exports	1.50	0.22	-	1.13	1.73	4.50	-
Total offtake	19.84	17.51	18.50	19.63	23.73	27.00	23.00
Closing Stock on 30th Sept.	11.66	8.54	4.87	3.64	8.47	7.80	3.30
*Adjustment as per Central Excise Certificate							





INDIAN SUGAR INDUSTRY: KEY POLICIES AND REGULATIONS





Ethanol - Government encouraging blending of alco-fuel with petrol

- **In India Ethanol is produced from surplus alcohol. Alcohol is produced from Molasses – a byproduct of sugar.**
- **5% Ethanol blending with petrol has been made mandatory effective 1st Oct 2003**
- **Ethanol being eco friendly could replace use of MTBE as an Oxygenate in fuel, thus lowering the emission of green house gases**
- **Value of fuel Ethanol Rs. 600 Cr. – likely to go up to Rs. 3000 Cr**
- **Govt rationalizing indirect tax structure for smooth and free movement of Ethanol across States.**



Co-generation attractive

- Electricity Bill 2003 encouraging for power sector
- Sugar industry can generate 4000 MW surplus power by using bagasse a by product
- 100% captive power requirement currently generated from bagasse-fired boilers
- 10% of incremental power generation in the country to come from renewable energy source
- Govt to provide soft loans from Sugar Development Fund to encourage cogeneration at an interest of 4%
- Power distributors in India have to buy a certain percentage of power from renewable energy source as per 86 (1) (e) of Electricity Act 2003
- Profits from power under cogen is tax free
- Cogeneration of power is non-cyclical business



Power from Bagasse

- All sugar factories are equipped to generate power to meet their captive requirement of steam and power
- Surplus bagasse available after meeting requirement for captive power generation is about 10% of cane crushed
- Surplus bagasse can be sold to paper manufacturers or alternatively be used for power generation to be sold to grid / third party
- BCML has long term Power Purchase Agreements in place with Uttar Pradesh Power Corporation Ltd for supply of surplus power generated. The present rate is Rs. 3.06 per KWH with an annual escalation of 4 Paise per KWH. This price is valid till 2009-2010.





BCML – HISTORY AT A GLANCE



BCML Share Holding Pattern

SHAREHOLDING PATTERN [%]	As on 30.09.2008
PROMOTERS	35.67
FI's	24.12
FII's	20.58
PRIVATE CORPORATE	4.43
NRI's	0.27
PUBLIC	14.93
GDR HOLDING	-
TOTAL	100.00



Factory Locations



BCML – Capacities at a glance

UNITS	SUGAR CAPACITY [TCD]	DISTILLERY [KLPD]	COGEN POWER [MW] INSTALLED CAPACITY	COGEN POWER [MW] SALEABLE CAPACITY	BIO COMPOST [TONS]
BALRAMPUR	12000	160	24.55	22.25	30000
TULSIPUR	7000	-	-	-	-
BABHNAN	10000	60	3.00	3.00	18000
HAIDERGARH	5000	-	23.25	20.25	-
RAUZAGAON**	8000	-	25.75	16.00	-
AKBARPUR	7500	-	18.00	11.00	-
MAIZAPUR [IGIL #]	3000	-	-	-	-
MANKAPUR	8000	100	34.00	22.00	10000
GULARIA	8000	-	31.30	20.00	
KUMBHI	8000	-	20.00	11.00	-
TOTAL	76500	320	179.85	125.50	58000

**Power Plant commenced with expanded capacity in season 2007-08.

Indo Gulf Industries Ltd is a subsidiary of the company.





BCML – MANAGEMENT AND ORGANISATION STRUCTURE





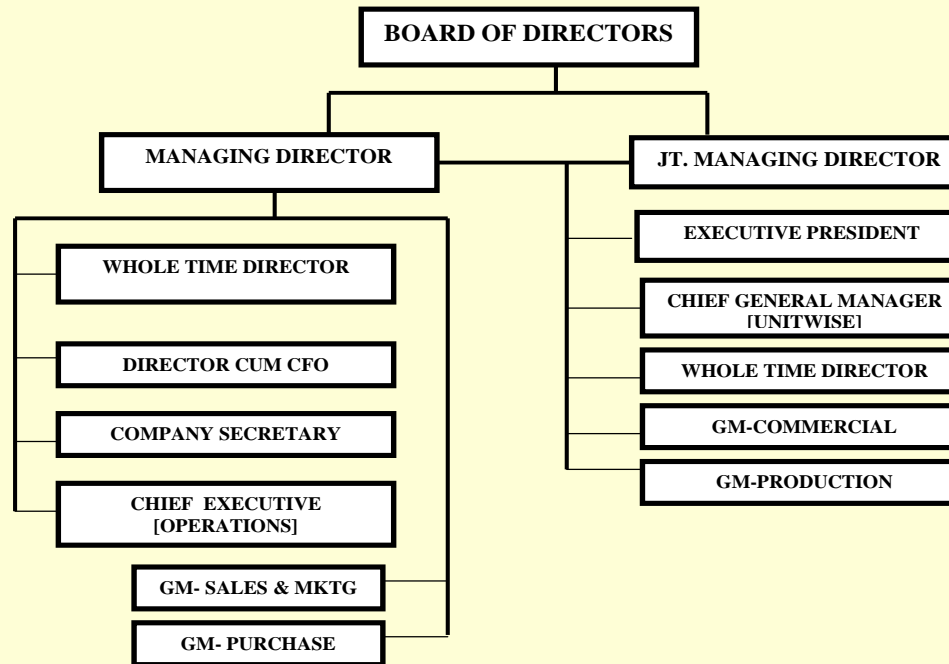
Balrampur – Farmer Relationship, Technology & Infrastructure, Quality & Production, Human Resources

- Enjoys extremely good relationship with farmers in its command areas
- Company instals latest technology and machinery to achieve the highest operational result
- Latest machines, technology and infrastructure help team to produce finest quality sugar and alcohol
- BCML has a team of dedicated, committed and trained professional comprising Engineers, Chemists, Human Resource, Agriculturists, Finance, Accounts, Taxation & Administration



Organizational set up

BALRAMPUR CHINI MILLS LTD



Profile of Directors

- **SRI . KAMAL NAYAN SARAOGI**, *Chairman Emeritus*, is a graduate in commerce. He promoted the company in 1975. He possesses several years of experience in the sugar industry. He does not hold directorship in any other company
- **SRI. SURESH NEOTIA**, Chairman, a law graduate from Kolkata University, is the co-founder and Chairman of Gujarat Ambuja Cements Limited. He has wide interest in business and has served on the board of several leading Indian companies. A collector of Indian art, his collection has been exhibited in several International Museums and in the Festivals of India in London, Paris and New York. He is the President of Anamika Kala Sangam, founder of Padatik and a trustee of Victoria Memorial. He was awarded Padma Bhushan in 2008.
- **SRI . VIVEK SARAOGI**, *Managing Director*, was the past President of the Indian Sugar Mills Association and the Chairman of Indian Sugar and General Industry Export Import Corporation Ltd. Sri. Saraogi is a graduate in commerce. Under his stewardship, the company has grown rapidly through organic and non-organic means which has helped make Balrampur a leader in the Indian sugar industry
- **SMT. MEENAKSHI SARAOGI**, *Joint Managing Director*, is a graduate in Art. She looks after the factory operations and is the driving force behind the organisation. She is in the business for quite a number of years and was awarded the 'Padmashree' in 1994 for her contribution to the sugar industry

- **SRI. SUDHIR JALAN**, *Director*, is a commerce graduate and an MBA from IIM, Kolkata. He is the past president of FICCI (the Federation of Indian Chambers of Commerce and Industry) and serving on the Board of several Indian companies. He has been the President of several associations such as the Indian Chamber of Commerce and Industry, Indian Council of Arbitration, All India Organisation of Employers, Indian Soap and Toiletries Makers' Association
- **SRI. R.K. CHOUDHURY**, *Director*, a leading advocate practicing mainly in Kolkata, has wide experience in the matters of taxation, corporate planning and international arbitration. Apart from his legal practice, he is on the Board of Directors of several leading industrial houses of India. As a professional personality, he is a member of the International Bar Association, Supreme Court Bar Association, Bar Council of India and Indian Council of Arbitration. He is also connected with several social and philanthropic organizations
- **SRI. S.B. BUDHIRAJA**, *Director*, is an independent management consultant, a gold medallist in Mechanical Engineering from the University of Roorkee. He was the youngest-ever Managing Director of Indian Oil Corporation from 1974-78. He has also been the Managing Director of IBP, Balmer Lawrie, and Indian Oxygen, during his career. He was Overseas Director, Al Futtaim Group U.A.E. Mr. Budhiraja was invited in 1982-83 as a Fellow, Centre for International Affairs, Harvard University. He is a Fellow of the All India Management Association, and the Institute of Management Consultants of India. He was President, Indian Chamber of Commerce, Kolkata in 1989-90 and Chairman CII Eastern Region in 1988-89



Profile of Directors

- **SRI. M.M. MUKHERJEE**, *Director*, a university rank holder in Political Science from Calcutta University, he also holds an Associate diploma from Insurance Institute of India, Mumbai. He joined Life Insurance Corporation of India in 1966. In his long career in LIC spanning over 37 years, he has held various positions including Secretary (Marketing), Zonal Office, Kanpur, Senior Divisional Manager, Howrah and Kolkata Sub-Urban Divisions, Regional Manager (Marketing), Zonal Office, Kanpur. Before retirement he was the Zonal Manager In-charge of LIC operations in Northern Zone, New Delhi
- **SRI. NARESH CHANDRA**, *Director*, joined the Indian Administrative Service in 1956. He held many posts in Government of India and Government of Rajasthan. He was also Finance Secretary and Chief Secretary to the Government of Rajasthan, Advisor to Governor of J & K, Secretary and Cabinet Secretary to Government of India, Senior Adviser to Prime Minister of India, Governor of Gujarat and Ambassador of India to the U.S.A. He was the Chairman, Committee on Corporate Governance set up by Union Ministry of Finance and Company Affairs
- **SRI. KEDAR NATH RANASARIA**, *Whole-time Director*, having more than four decades experience in sugar industry. He is M.A. degree (Sahityaratana), working with the Company since inception. He was also the Secretary and Chief Executive of the Company
- **SRI KISHOR SHAH**, *Director cum Chief Financial Officer*, is a Commerce Graduate and a Chartered Accountant. Joined the company in 1994 as Finance Executive. Later promoted as Chief Financial Officer. On 31st January 2006, he joined the Board of the Company
- **DR. ARVIND KRISHNA**, *Whole-time Director*, M.Sc. Ph.D [Botany] joined the Group in 2002. He is specialized in Industrial Mycology and had special training in Bio-composting, Mushroom production and processing. Currently he is heading the Organic Manure Division of the company at Balrampur Unit. Earlier he had worked in other reputed companies and thus brings to the Board his vast and rich experience.



BCML - FINANCIALS



Segment-wise contribution in nett turnover

	Sept'08		Sept'07		Sept'06*		March'05	
	Rs. In		Rs. In		Rs. In		Rs. In	
Products	Million	%	Million	%	Million	%	Million	%
Sugar	11,480.6	77.0	11,267.6	80.7	17,542.6	88.2	6,564.5	80.4
Alcohol	1,675.0	11.2	1,223.7	8.8	1,341.5	6.7	1,101.8	13.5
Power	1,739.4	11.7	1,449.1	10.4	1,002.4	5.0	480.2	5.9
Others	14.4	0.1	7.7	0.1	11.5	0.1	16.6	0.2
Total	14,909.4	100.0	13,948.1	100.0	19,898.0	100.0	8,163.1	100.0

* for 18 months ended 30 Sept '06



Segment-wise contribution to PBIT

Products	Sept '08		Sept '07		Sept 06*		March'05	
	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%
Sugar	458.2	21.58	(1195.1)	-	3,025.7	75.76	1,305.6	67.93
Alcohol	651.1	30.67	506.1	-	385.3	9.65	346.1	18.01
Power	1033.3	48.67	885.2	-	585.3	14.66	268.7	13.98
Others	(19.7)	(0.92)	(5.6)	-	(2.4)	(0.06)	1.5	0.08
Total	2122.9	100.0	190.6	-	3,993.9	100.0	1,921.9	100.0

* For 18 months ended September '06



Cane Crushing , Production, Recovery

Details of the cane crushing, production and recovery year to year in respect of existing Units are presented below :

Years	Cane Crushing [Million Tons]		Production [Million Tons]		Recovery % of cane crushed	
	SS	FY	SS	FY	SS	FY
2001-02	4.10	3.06	0.41	0.30	10.00	9.85
2002-03	4.80	3.86	0.47	0.40	9.82	10.38
2003-04	3.63	5.60	0.36	0.54	10.03	9.68
2004-05	4.15	3.86	0.42	0.39	10.21	10.15
2005-06*	5.82	6.22	0.60	0.64	10.24	10.25
2006-07	9.23	9.23	0.92	0.92	9.91	9.91
2007-08	8.06	8.06	0.82	0.82	10.14	10.16
* for 18 months ended September 2006						



Sugar Efficiency

- Balrampur achieves highest operational efficiency in production
- The sugar recovery is the highest in east U.P

	Percentage					
	2002-03 [SS]	2003-04 [SS]	2004-05 [SS]	2005-06 [SS]	2006-07 [SS]	2007-08 [SS]
BALRAMPUR	9.85	10.07	10.30	10.24	9.78	10.05
BABHNAN	10.04	10.28	10.53	10.32	9.89	10.26
TULSIPUR	9.40	9.72	9.55	9.92	9.42	9.74
HAIDERGARH	-	9.86	10.15	10.00	9.87	10.25
AKBARPUR	-	-	-	10.50	10.15	10.16
RAUZAGAON	-	-	-	10.27	10.29	10.28
MANKAPUR	-	-	-	-	10.25	10.33
KUMBHI	-	-	-	-	7.69	10.52
GULARIA	-	-	-	-	-	9.64
BCML GROUP AVERAGE	9.82	10.03	10.21	10.24	9.91	10.14
EAST UP [AVERAGE]	9.53	9.93	10.12	9.95	9.59	10.08

SS : Sugar Season



Financials

	Rs. Million						
	FY ENDED SEPTEMBER 30th			FY ENDED ON MARCH 31st			
	2008	2007	2006*	2002	2003	2004	2005
Gross Sales	15,525.0	14,763.2	19,897.7	5,489.5	6,675.8	8,022.9	9,302.6
Total income [incl.stock adjustment]	16013.3	16,164.5	16,240.0	5,048.6	5,757.4	8,150.5	8,539.2
<i>Raw Materials</i>	<i>10141.6</i>	<i>12,815.0</i>	<i>8,246.7</i>	<i>3,273.0</i>	<i>3,950.4</i>	<i>5,494.5</i>	<i>4,741.5</i>
PBIDT	3294.9	992.7	4,664.9	933.4	722.5	1,294.0	2,201.1
Interest	896.5	544.2	345.1	169.1	135.5	198.0	189.3
Depreciation	1,172.0	802.2	670.9	199.9	212.8	302.3	372.7
Pre-Tax profit	1226.4	(353.7)	3,648.9	564.4	374.2	793.7	1,639.1
PAT	970.3	(418.4)	2,915.9	473.4	295.1	604.9	1,250.6
Equity Capital	255.5	248.2	248.2	189.7	189.7	189.7	231.8
Reserves [excluding rev.reserve]	9893.5	8,391.7	8,808.3	1,995.1	2,173.4	2,563.6	4,686.0
Long Term Loans	10207.8	9,508.0	3,542.9	683.9	1,347.2	2,150.4	2,000.1
* For 18 months ended September 2006							



Financial Performance Ratios

	March		Sept*	Sept	Sept
Financial Year Ended	2004	2005	2006	2007	2008
PBIDT / TOTAL INCOME [%]	16.85	14.92	10.87	15.84	16.45
INTEREST / TOTAL INCOME [%]	2.45	2.03	1.73	3.66	5.72
INTEREST COVER [X]	6.53	12.81	13.52	1.82	3.68
PBDT / TOTAL INCOME [%]	13.55	23.97	21.64	3.02	15.31
NET PROFIT / TOTAL INCOME [%]	7.47	13.41	14.60	(2.81)	6.19
CASH PROFIT / TOTAL INCOME (%)	11.21	17.41	17.96	2.58	13.68
* For 18 months ended Sept '06					



Balance Sheet Ratios

	MARCH		SEPTEMBER		
Financial year ended	2004	2005	2006*	2007	2008
DEBT EQUITY RATIO [%]	0.78	0.41	0.39	1.10	1.00
INVENTORY TURNOVER [DAYS]	178	167	25	95	123
CURRENT RATIO [%]	1.51	1.49	1.1	1.07	1.64
QUICK RATIO	0.31	0.38	0.79	0.54	0.72
ASSET TURNOVER RATIO	0.78	0.79	1.11	0.55	0.55
*For 18 months ended Sept 2006					



Per Share Data [Rs.]

Financial Year ended			September		
	2004	*2005	2006	2007	2008
EARNINGS [DILUTED]	3.16	6.16	12.19	(1.69)	3.83
CASH EARNINGS	4.73	7.99	15.00	1.55	8.38
DIVIDEND	1.00	1.60	3.50	-	0.50
BOOK VALUE	145.00	21.15	36.31	34.69	39.65
PRICE / EARNINGS [TIMES]	9.63	11.27	8.32	-	21.16
NET INDEBTEDNESS PER SHARE	11.33	8.63	14.28	38.32	39.95

* Face value of equity shares has been reduced from Rs.10 to Re.1 w.e.f 31st Mar '05.

For comparison purpose, figures for earlier years have been calculated taking equity share value of Re. 1 each



Financial Results

Sl. No.	Particulars	(Rs. Lacs)					
		Standalone Quarter Ended		Standalone Year Ended		Consolidated Year Ended	
		30.09.2008 Unaudited	30.09.2007 Unaudited	30.09.2008 Audited	30.09.2007 Audited	30.09.2008 Audited	30.09.2007 Audited
1	a) Net Sales/Income from Operations	41172	29245	146354	139172	149094	139481
	b) Other Operating Income	501	532	1202	985	1308	1024
	Total Income (a+b)	41673	29777	147556	140157	150402	140505
2	Expenditure						
	a) (Increase)/Decrease in Stock in trade and Work- in- Process	27599	24615	(12366)	(21360)	(14203)	(21840)
	b) Consumption of Raw Materials	1130	330	101416	128150	104825	128938
	c) Employees Cost	1911	1756	8197	7191	8642	7376
	d) Depreciation & Amortisation	2883	2324	11721	8022	12526	8766
	e) Other Expenditure	3807	2824	17570	16376	18419	17091
	Total Expenditure	37330	31849	126538	138379	130209	140331
3	Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	4343	(2072)	21018	1778	20193	174
4	Other Income	33	13	211	128	211	128
5	Profit/(Loss) before Interest & Exceptional Items (3+4)	4376	(2059)	21229	1906	20404	302
6	Interest	2833	1316	8965	5442	10008	6005
7	Profit/(Loss) after Interest but before Exceptional Items (5-6)	1543	(3375)	12264	(3536)	10396	(5703)
8	Exceptional Items	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before Tax (7+8)	1543	(3375)	12264	(3536)	10396	(5703)
10	Tax Expense	85	(7)	2561	648	2563	650
11	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	1458	(3368)	9703	(4184)	7833	(6353)
12	Extraordinary Items (Net of tax expense)	-	-	-	-	-	-
13	Net Profit/(Loss) before adjustment of Minority Interest & Share of Associates (11-12)	1458	(3368)	9703	(4184)	7833	(6353)
	Less: Loss for the period before the date of becoming Subsidiary	-	-	-	-	-	1624
	Less: Minority Interest in Profit / (Loss)	-	-	-	-	-	-
	Add: Share of Profit in Associates	-	-	-	-	1	1
	Net Profit/(Loss) after adjustment of Minority Interest & Share of Associates	1458	(3368)	9703	(4184)	7834	(4728)
14	Paid up Equity Share Capital (Face value of Re.1/- each)	2555	2482	2555	2482	2555	2482
15	Reserves excluding Revaluation Reserve as per Balance Sheet	-	-	98935	83917	96576	83410
16	Basic EPS (Rs.) (before & after Extraordinary Items)	0.57	(1.36)	3.83	(1.69)	3.09	(1.91)
17	Diluted EPS (Rs.) (before & after Extraordinary Items)	0.57	(1.36)	3.82	(1.69)	3.09	(1.90)
18	Public Shareholding						
	- Number of Shares	164385420	169203770	164385420	169203770	164385420	169203770
	- Percentage of Shareholding	64.33	68.18	64.33	68.18	64.33	68.18



BCML: Risks and Concerns



Risk & Concern – BCML's Response

CYCLICALITY OF SUGAR INDUSTRY

Response : Derisking Business Module

- BCML switched to integrated business model. Commissioned three distilleries [320 KLPD], seven Power Plants [saleable 125.50 MW] and integrated sugar complex at Haidergarh, Mankapur, Akbarpur, Kumbhi & Gularia to provide stability of revenue and profit

AGRICULTURAL-INDUSTRIAL CONFLICT

Response :

- Sugar Industry's farmer-miller-consumer partnership – a neat agricultural-industrial fit. BCML incentivized this partnership through timely remuneration, wider irrigation and subsidized fertilizers and improved variety of seed distribution. BCML increased crushing capacities ten times in last decade to strengthen its commitment

FINANCIAL RISK

Sugar Industry being cyclical, adequate funds may not be available for working capital or long term needs

- Response : BCML addressed its working capital and long term needs largely through internal accruals and low cost borrowings
- Debt-Equity Ratio of 1.00 as at 30.09.2008
- Strong credit rating enables market borrowing at lower than market cost. [Highest Credit Rating for short term borrowing for 2500 Million Rupees from ICRA]

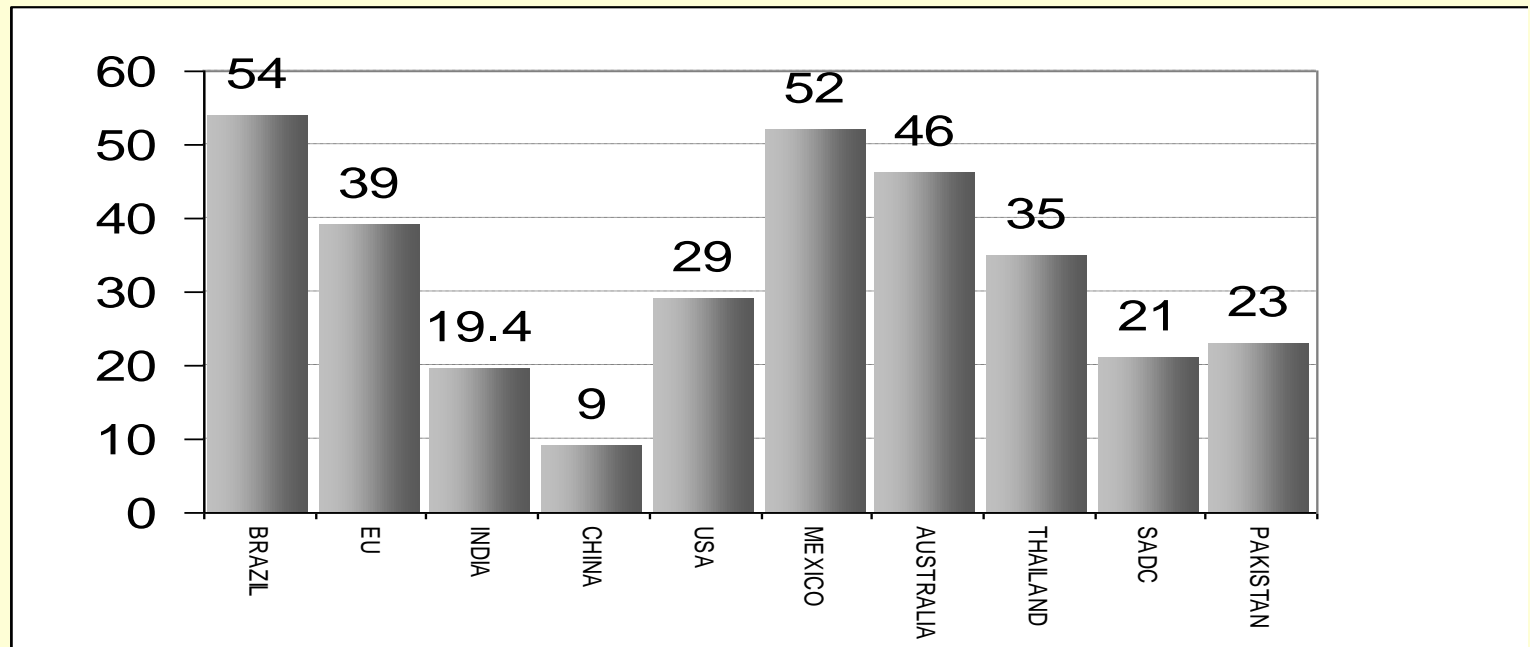




APPENDIX



Per Capita Consumption of Sugar in top ten sugar producing countries



SOURCE: F.O. Licht's International Sugar & Sweetener Report and CrisInfac

Indian consumption increasing at a CAGR of 3.1%



World Production & Supply

CENTRIFUGAL SUGAR								['000 MT] RAW VALUE	Stock use Ratio
Country	Beginning Stocks	Production	Imports	Total Supply	Exports	Domestic Consumption	Ending Stocks		
WORLD TOTAL									
2002/2003	36,820	148,516	41,557	226,893	47,440	138,947	40,506	29.2	
2003/2004	40,506	142,362	42,110	224,978	46,926	139,600	38,452	27.5	
2004/2005	38,452	140,726	45,077	224,255	47,738	142,137	34,380	24.5	
2005/2006	34,380	144,915	44,902	224,197	49,633	142,045	32,159	22.6	
2006/2007	32,159	161,289	43,542	236,990	48,757	148,881	39,352	27.2	
2007/2008	39,352	166,574	44,847	250,773	50,989	157,124	42,660	30.2	
2008/2009	42,660	158,781	47,418	248,859	48,169	162,082	38,608	23.8	

Updated : 18.11.08 Source : USDA



Key Producing Countries

In '000 Tonnes [Raw Value]							Expected
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Brazil	23,810	26,400	28,175	26,850	31,450	32,100	32,450
European Union [EU]	26,451	24,961	27,181	27,517	25,436	24,472	22,859
India	22,140	15,150	14,170	21,140	30,780	28,580	22,870
China	11,380	10,734	9,826	9,446	12,885	15,898	15,785
Mexico	5,229	5,330	6,149	5,604	5,633	5,852	5,850
World Total	148,516	142,362	140,726	144,915	161,289	166,574	158,781



World Raw Sugar Prices

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	1st Q.	2nd Q.	3rd Q.	4th Q.	Calendar
CENTS PER POUND																	
2001	10.63	10.26	9.64	9.27	9.96	9.80	9.48	8.77	8.60	7.15	7.80	8.02	10.18	9.68	8.95	7.66	9.12
2002	7.96	6.81	7.27	7.12	7.33	7.07	8.02	7.86	8.54	8.84	8.87	8.81	7.35	7.17	8.14	8.84	7.88
2003	8.56	9.14	8.50	7.92	7.41	6.85	7.18	7.30	6.70	6.74	6.83	6.95	8.73	7.39	7.06	6.84	7.51
2004	6.42	7.01	8.23	8.21	8.08	8.41	9.19	8.99	9.10	9.84	9.65	10.19	7.22	8.23	9.09	9.89	8.61
2005	10.33	10.51	10.57	10.19	10.23	10.45	10.89	11.09	11.59	12.40	12.86	15.09	10.47	10.29	11.19	13.45	11.35
2006	17.27	18.93	18.01	18.21	17.83	16.19	16.61	13.58	12.42	12.09	12.38	12.47	18.07	17.41	14.20	12.31	15.50
2007	11.85	11.63	11.44	10.85	10.78	11.05	12.18	11.66	11.61	11.86	11.83	12.47	11.64	10.89	11.82	12.05	11.60
2008	13.75	15.16	14.60	13.68	12.23	13.29	14.90	15.58	14.74	12.99	12.87		14.50	13.07	15.07		

Source: New York Board of Trade
01.12.2008



World refined Sugar prices

Year	Jan.	Feb.	Mar.	Apr.	May	Jun	Jul	Aug	Sep	Oct.	Nov	Dec	1st Q	2nd Q	3rd Q	4th Q	Calendar
Cents per pound																	
2001	11.27	10.65	10.26	10.61	11.71	12.68	12.60	12.08	10.66	10.19	11.27	11.52	10.73	11.67	11.78	10.99	11.29
2002	11.88	10.80	10.81	10.09	10.28	10.02	10.23	10.33	9.68	9.72	10.16	10.25	11.16	10.13	10.08	10.04	10.35
2003	10.64	11.10	10.51	10.14	9.95	9.66	9.84	9.74	8.95	8.39	8.67	9.23	10.75	9.92	9.51	8.76	9.74
2004	9.16	9.54	10.59	11.19	10.78	10.73	11.81	11.80	11.12	11.21	11.27	11.23	9.76	10.90	11.58	11.24	10.87
2005	11.63	12.09	12.02	11.76	11.75	12.61	14.70	14.81	14.60	14.18	13.10	15.00	11.91	12.04	14.70	14.09	13.19
2006	16.92	19.99	20.45	21.35	21.81	20.93	20.95	18.16	17.32	17.92	16.41	15.86	19.12	21.36	18.81	16.73	19.01
2007	15.13	14.92	15.59	14.21	14.94	14.36	14.13	12.87	12.54	12.56	13.00	13.78	15.21	14.50	13.18	13.11	14.00
2008	15.17	16.61	15.79	15.87	14.92	16.35	17.06	17.92	17.52	15.07	15.00		15.86	15.71	17.50		

Source: LIFFE, London. 01.12.08



Prices – Sugar & Sugar Cane ex Factory

	10 Qntl = One Ton			
	SUGAR		SUGAR CANE [Linked to 8.5%]	
	[Rs. Per Qntl]		[Rs. Per Qntl]	
SUGAR YEAR	FREE SALE	LEVY	SMP	SAP
2007-08[E]	1,450.00	1,384.00	81.85	140.00
2006-07 [E]	1,340.00	1,384.00	80.25*	125.00
2005-06	1,722.00	1,384.00	79.50*	115.00
2004-05	1,607.00	1,384.00	74.50	107.00
2003-04	1,321.00	1,384.00	73.00	95.00
2002-03	1,119.00	1,329.00	69.50	95.00
2001-02	1,268.00	1,309.00	62.05	95.00
2000-01	1,316.00	1,265.00	59.50	90.00
1999-00	1,338.00	1,162.00	56.10	85.00
1998-99	1,320.00	1,139.00	52.70	80.00
1997-98	1,335.00	1,047.00	48.75	75.00
1996-97	1,216.00	1,040.00	45.90	72.00
1995-96	1,178.00	940.00	42.50	70.00
SAP = State Advised Price in Uttar Pradesh where BCML factories are located				
E = Expected *Linked to 9% basic recovery.				
For 2004-05, 2005-06 & 2006-07 revised levy sugar price is yet to be announced.				
SOURCE : Indian Sugar Mills Association				



Economics of locally produced sugar vs. Landed Cost of Imported Sugar

BASE PRICE [US\$ FOB]	*330.00
FREIGHT	40.00
C&F PRICE	370.00
IMPORT DUTY	-
COST WITH DUTY	370.00
PORT, INCIDENTALS & OTHERS	35.00
LANDED COST [US\$]	405.00
Rs. / US\$	48.50
LANDED COST [Rs.]	19,642.50
PLUS IMPORTER'S MARGIN 5% OF COST	982.12
SALEABLE EX PORT PRICE	20,624.62
*05.01.09	





Thank You

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